ATTACHMENT "A"

AMENDMENT OF 2004-08 SUPERVISORY UNIT
MEMORANDUM OF UNDERSTANDING

1. This agreement is entered into as of December 18, 2007, by and between the County of San Luis Obispo (hereinafter referred to as "the County"), and the San Luis Obispo County Employees' Association (hereinafter referred to as "Association" or "SLOCEA").

2. Parties agree that pursuant to Article 58, Full Understanding, Modification, Waiver, of the 2004-08 Supervisory Unit Memorandum of Understanding, amendments to Article 8, Salaries, are hereby added to read as follows:

   L. For Fiscal Year 2007-08 compensation is established pursuant to Article 8.E. For Fiscal Year 2007-08 the Association struck Napa and Santa Cruz, and the County struck Monterey and Placer. The Counties of Kern, Marin, Santa Barbara, and Sonoma were used to determine the average percentage of change in compensation. The average composite percentage of change for Fiscal Year 2007-08 for SLOCEA units resulting from the calculation in Article 8.E. was five and thirty-hour hundredths percent (5.34%).

   Additionally the parties agreed to combine seventy-six hundredths percent (.76%) which was previously agreed to in Article 8 D to be distributed as inequity adjustments for fiscal year 2007-08. The County began distribution of twenty-four hundredths percent (.24%) of the agreed upon amount in FY 2006-07 to provide additional salary increases for certain correctional nursing and mental health classifications.

   Parties have met and negotiated the distribution of said percentage change and unspent inequity monies for Fiscal Year 2007-08. Effective the pay period that includes July 1, 2007, an approximate six and ten hundredths percent (6.10%) increase shall be made to the salary ranges that were in effect on June 30, 2007, as reflected in EXHIBIT "A" attached hereto.

   Parties agree to jointly fund a good faith study to assist them to identify future inequity adjustments for inclusion in salary negotiations. Cost of said study will be shared equally by the parties up to a maximum of $15,000 per party. If the cost goes beyond $30,000, parties shall meet to discuss the continued funding of the project. Two representatives from each party will meet and advise the contractor completing the study of: the comparable counties (Santa Barbara, Santa Cruz, Monterey, Marin and Napa) to be used and the data to be gathered. The end product will include the identification of San Luis Obispo County benchmarks and their related classifications and recommendations regarding their average

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compensation. While parties will advise the contractor, the time frame and overall results will be the responsibility of the consultant. It is expected that the study will be completed by August 1, 2008. Neither party makes any commitment to implement the findings of this study since the setting of salaries is a meet and confer requirement under the prevailing wage ordinance and the Meyers-Milias-Brown Act (Gov. Code §§ 3500 et seq).

3. Parties agree that pursuant to Article 58, Full Understanding, Modification, Waiver, of the 2004-08 Supervisory Unit Memorandum of Understanding, amendments to Article 9, Retirement Contribution, are hereby added to read as follows:

   E. The Pension Trust Board has reported an unfunded accrual liability (UAL) of 10.05% and SLOCEA has agreed to assume a Pension Trust rate increase in order to fund one-half (1/2) of this UAL. When adjusted for a "portability cost" the portion of the cost being assumed by SLOCEA increases to 5.58%. County has agreed to assume the funding for one-half of this portability cost. The resultant 10.605% will be funded equally by the parties. Parties agree that employees' pension contribution rates will be increased by a 2.5% increase effective December 16, 2007 and 2.8025% retro-active with their FY 2008-09 Prevailing Wage Ordinance (PWO) increase. Parties have agreed that this last rate increase will not be any greater than the FY 2008-09 PWO adjustment. If the actuarial audits taking place currently show the amount of increase to be less than 10.605% the parties shall split 50/50 of the lesser amount.

   The County which assumed a 3.52% increase in the employers rate on July 1, 2007 will assume a 1.045% increase on December 16, 2007 and a third increase of 0.7375% effective the pay period that includes July 1, 2008.

   Parties agree to a Reopener on retirement issues after the actuarial audit is complete and at the request of either party to discuss any retirement issues.

   SLOCEA acknowledges it is the County's intent to implement a modified pension benefit formula for new employees hired on or after October 1, 2008. Parties agree to a reopener at the request of either party to discuss the modified pension benefit.

4. Parties agree that pursuant to Article 58, Full Understanding, Modification, Waiver, of the 2004-08 Supervisory Unit Memorandum of Understanding, amendments to Article 11, BENEFIT CONTRIBUTIONS, are hereby added to read as follows:

H. Effective with adoption of this amendment, but no sooner than December 16, 2007, the County will contribute an additional forty-one dollars ($41) per month, per employee totaling up to a maximum of six hundred dollars ($600) into the individual employee's cafeteria plan.

It is the intent of the parties to only increase the individual employee cafeteria amount by $41 and all other conditions found in this article continue to apply. This includes, but is not limited to, the reduction of an amount equal to the mandated PERS Health Insurance contribution for those employees who do not participate in PERS Health Insurance.

5. Parties agree that pursuant to Article 58, Full Understanding, Modification, Waiver, of the 2004-08 Supervisory Unit Memorandum of Understanding, amendments to Article 56, SUMMER CARE SCHOLARSHIP, are hereby added to read as follows:

56.7 In anticipation of monies for the 2008 Summer Care Scholarship program, and each year thereafter, SLOCEA will be allowed to retain up to a maximum of $15,000 annually of any unspent monies from the previous program year. All conditions and restrictions on program operations continue to apply, specifically the bar on using these funds for the administration of this program.

SIGNED FOR COUNTY

Date: 12-10-07

SIGNED FOR ASSOCIATION

Date: Dec 10, 2007

APPROVED AS TO FORM AND LEGAL EFFECT:
JAMES B. LINDHOLM, JR.
County Counsel

BY:
R. Wyatt Cash
Assistant County Counsel

Dated: 12-10-07